



PIFS GVA/55-2020

To : Forum Island Countries (FICs)  
Date : 23 December 2020  
From : Mere FALEMAKA, PIF Permanent Delegation to the United Nations,  
World Trade Organization, and Other International Organizations in Geneva  
Subject: PIF-Geneva Update 5/2020

Please find attached, for your records, an update on the activities undertaken by the Pacific Islands Forum – Geneva Office (PIF-Geneva) in September-October 2020.

2. For further clarifications or follow-up on Trade Negotiations, please contact me on [mere.falemaka@pifs-geneva.ch](mailto:mere.falemaka@pifs-geneva.ch)
3. For further clarifications or follow-up on Aid-for-Trade, please contact Mr. Andrea Giacomelli, Trade Policy and Aid-for-Trade Adviser on [andrea.giacomelli@pifs-geneva.ch](mailto:andrea.giacomelli@pifs-geneva.ch)
4. For further clarifications or follow-up on PTI Europe, please contact Ms. Glynis Miller, PTI Coordinator and Acting PTI Trade Commissioner New Zealand on [GlynisM@forumsec.org](mailto:GlynisM@forumsec.org)

Mere FALEMAKA

**Ambassador**

**PIF Permanent Delegation to the United Nations,  
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## 1. BACKGROUND

The Pacific Islands Forum Geneva Office ([PIF Geneva](#)) comprises two sections: Trade Negotiations and Aid-for-Trade (Aft). The Trade Negotiations section provides policy and technical advice on multilateral trade issues to Forum Islands Countries (FICs) which are members of the World Trade Organization (WTO), and coordinates their participation in multilateral negotiations. The Aft Section assists FICs, individually and collectively, to make a better use of Aft opportunities provided by Geneva and Europe-based organisations.

Some non-trade work commenced in 2019, and is currently limited to support advocacy on selected regional priorities.

In addition, PIF Geneva hosts the Europe desk of Pacific Trade Invest (PTI Europe). The desk focuses on the development and promotion of Pacific Island exports across international markets in Europe and the United Kingdom.

## 2. REPRESENTATION

During this period Ambassador FALEMAKA presented Pacific perspectives at the UN-ESCAP's Regional Conversation on [Resilient Supply Chains and Connectivity](#), at the UNCTAD's Trade Policy Dialogue on the [Multilateral Trading System in the Post-Pandemic "New Normal"](#) and at the [Geneva Trade Week](#) panel on the [Multilateral Trading System and the Global Sustainability Agenda](#) organised by the United Kingdom. She also introduced the launching of the [Memorandum of Understanding between the PIFS and UNCTAD](#), whose drafting was coordinated by the PIF Geneva Office, and which took place on the 9 October 2020.

## 3. WTO NEGOTIATIONS

As Members returned from the summer break, discussions in various Committees shifted from the trade impact of COVID 19 towards recovery efforts and what role could be played by the WTO. This was also accompanied by the relaxation of trade measures, as Members continued to stress that these should not restrict trade and undermine global value chains.

During the period, negotiations on [Fisheries Subsidies](#) intensified, with WTO Members moving into a continuous negotiating mode as they aimed to conclude an agreement by December 2020 to meet the deadline of the SDG 14.6. Negotiations were based on the Draft Consolidated Text (DCT) circulated by the Chair (Colombia) on 25 June. The DCT was a skeleton text including the three pillars of Subsidies to Illegal, Unreported and Unregulated (IUU) Fishing; Overfished Stocks; and Overcapacity and Overfishing (OCOF), plus the standard elements of Scope; Definitions; Special and Differential Treatment (S&DT); Special Provisions for LDCs; and Technical Assistance and Capacity Building. Additional elements such as Transparency and Notifications, Institutional Issues and Dispute Settlement were under placeholders as issues were not yet mature. Much of the discussions focused on Scope, Definitions (fish, small scale artisanal fishing, government to government payments (access fees)), IUUF determination, due process and proportionality, as well as OCOF and S&DT. The discussions helped deepen understanding of Members' positions but significant differences remained especially on IUUF, OCOF and S&DT. Members also felt that discussions on the disciplines could not proceed without provisions on dispute settlement and transparency. The Chair appointed the Ambassador of Switzerland to be a Friend of the Chair (FOTC) to facilitate discussions on S&DT.

On [Agriculture](#), the Chair (Costa Rica) appointed seven Facilitators to assist consultations with Members on the elements of the negotiations that could be progressed as potential outcomes for MC12. These included domestic support, market access, public stockholding for food security, special safeguard mechanism, export restrictions, export competition and transparency. Domestic support remains a priority for many Members aiming to reduce subsidies and distortions to agriculture trade. The issue of export restrictions on agricultural products, especially food products, gained much

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attention as this could threaten food security especially of importing Members. The Facilitators' work is to help Members narrow down options for negotiations.

On Development ([S&DT](#)) issues, the Chair continued consultations with Members on the ten G90 (ACP, LDCs, African Group) proposals which are seeking flexibilities to various WTO rules for developing countries and LDCs. The G90 continued stress the importance of these proposals to enable them to increase their trade and better integrate into the multilateral trading system. Flexibilities to tariff modifications and investment requirements in the TRIMS Agreement are proposed to support industrialization and trade. There are also LDC-specific proposals which relate to technology transfer under the TRIPS Agreement, customs valuation, and LDC preferences. Some Members were open to discussions on the proposals but a few Members have signaled that the discussions have been exhausted. On a parallel track, the US re-tabled its 2019 proposal at the General Council meeting in October on differentiation of developing countries, stating that those developing countries that have successfully industrialised should be excluded from S&DT. Members remained divided on this issue.

Consultations also took place in the TRIPS Council to assess the interest of Members on elements that could be progressed. Members remained entrenched in their positions on Geographical Indications (GI) and extension of GI registration beyond wines and spirits. Discussions in plurilateral track under the Joint Statement Initiatives (JSIs) gained momentum after the summer break. These included [Domestic Regulations on Services](#), which is the most advanced and which saw proponents revising their GATS schedules to with a view to incorporating the outcome of the negotiations by MC12. The JSIs on [E-commerce](#), [investment facilitation](#) for development and micro, small and medium enterprises ([MSMEs](#)) also gathered momentum aiming for a streamlined text by December 2020 which would be finalized for MC12.

There was no change to the impasse on the WTO's Appellate Body process, as the US position remains unchanged. Members have stressed the need to restore the Appellate Body functions. Proponents of the alternative, the Multi-Party Interim Arbitration (MPIA) Arrangement, will use this mechanism to hear appeals on WTO disputes.

During this period the PIF Geneva Office issued five Circulars on Agriculture, Fisheries Subsidies, E-commerce, and Investment Facilitation. In addition, the Office coordinated seven Pacific Group statements that were delivered in various WTO negotiations and Committees such as Fisheries Subsidies, Council on Trade in Services, Council on Trade and Environment, Small Vulnerable Economies, Trade Negotiating Committee, and General Council.

#### 4. AID-FOR-TRADE

##### 4.1 Projects

###### 4.1.1 Implemented

Good progress was recorded on the Pacific E-commerce Initiative, including review of the second draft E-commerce Assessments for PNG and FSM, and the for Pacific region. Preparations for the regional [workshop](#) on E-commerce, due to take place on the 3 November 2020, were completed, including mobilisation of an extensive network of regional and international supporting partners.

Further steps were undertaken towards implementation of Phase 2 of the [Pacific Quality \(QI\) Infrastructure Initiative](#), including selection of Dr Ulrich Diekmann as the Pacific Quality Infrastructure Coordinator. Following the recruitment of Dr Diekmann, technical leadership for the Pacific QI Initiative was handed over to Suva.

The [workshop](#) organised by the Office 6 and 9 October 2020 marked the beginning of the Pacific [Trade Facilitation Initiative](#), in line with the priorities of the [Pacific Aid-for-Trade Strategy](#).

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In terms of national support, Mr Dan Hetherington was selected to assist Tonga with its [WTO Trade Policy Review](#), scheduled to take place in April 2021, and immediately commenced working on his assignment.

PIF Geneva coordinated assistance by the consultants supporting the Pacific Group through the Trade Advocacy Fund ([TAF2](#)). Under output 1 (Geneva Week support), three video briefings on fisheries subsidies were produced to fill the gap created by the suspension of Geneva Week. Under output 2 (coordination), three virtual briefings on fisheries subsidies were held in September with experts from regional agencies and capital-based officials, and the ninth quarterly strategy meeting was held in October. Under output 3 (technical advice), fisheries subsidies support has been provided through two clusters of meetings, in September and October. Written reports, talking points, and analysis have been provided on all bilateral engagement, together with draft legal text on sustainable reference points<sup>1</sup>.

*4.1.2 Completed/Secured*

None

*4.1.3 Ongoing*

Work is ongoing to support project formulation by the Global Alliance for Trade Facilitation in Fiji and PNG. Work is also ongoing to scope options for extending assistance provided by TAF2 to the WTO Pacific Group beyond 2020.

**4.2. Apply! Demand-driven Aid-for-Trade facilities accepting applications**

(1) [Standards Trade and Development Facility](#) (2) [Global Alliance for Trade Facilitation](#) (3) [Trade Facilitation Agreement Facility](#)

**5. PTI EUROPE**

The position of PTI Europe Adviser is now vacant. The next update will be provided after the new PTI Europe Adviser is recruited.

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<sup>1</sup> A reference point defines the level of biomass and fishing pressure that would allow optimal harvests.